

**Introduced by Senator Torlakson**

February 7, 2003

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An act to relating to local government finance.

LEGISLATIVE COUNSEL'S DIGEST

SB 148, as introduced, Torlakson. Property tax revenue allocations.

Existing law requires a city or county to include a housing element in its general plan, and, for that purpose, prescribes criteria for determining the city or county share of the regional housing needs, including a requirement that the distribution of regional housing needs take into account, among other things, market demand for housing and employment opportunities.

Existing property tax law reduces the amounts of ad valorem property tax revenue that would otherwise be annually allocated to the county, cities, and special districts pursuant to general allocation requirements by requiring, for purposes of determining property tax revenue allocations in each county for the 1992–93 and 1993–94 fiscal years, that the amounts of property tax revenue deemed allocated in the prior fiscal year to the county, cities, and special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to the county, cities, and special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to school districts, community college districts, and the county office of education.

This bill would express the Legislature's intent to reallocate revenues that have been shifted to ERAF to communities that build affordable housing.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. It is the intent of the Legislature to reallocate  
2 property tax revenues that have been shifted to Educational  
3 Revenue Augmentation Funds to communities that build  
4 affordable housing.

